

AFFIRMATIVE INTERACTION OF COMMUNITY DEVELOPMENT AND ENVIRONMENTAL ACTIVITIES WITH THE CSR

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ABSTRACT

The significance of this study is due to the increasing strategic firm involvement and attention paid by Indian corporate organizations which are intended to maintain sustainable results to flourish. The social activities by the corporate make the organizations return something to the society, the organisation to create innovative environmental, better human resource utilizing, and economic strategy. The corporate companies selected for the study purpose are from various sectors i. e. Power, Oil and refinery, Gas, aluminum and sugar the role of these organizations in the Indian economy and Indian society are very important. This paper will be useful to any Indian company in understanding more about its shortcomings and opportunities. This is the first time that such an exhaustive study has been carried out based on Indian companies. It creates a novel perspective on how top companies in India are considerate of the new view and formally conduct CSR. The broad rationale for a new set of ethics for corporate decision making, which clearly constructs and upholds an organization's social responsibility, which must, therefore, in an utter requirement, the enterprise has to provide returns to society. This, therefore, clearly establishes the stake of a business organization in the good health and wellbeing of a society of which it is a part. Corporate social behavior and environment management provide a practical resource for the addition in a number of organizations taking care about social and environmental management in the context of sustainable growth.

KEYWORDS: Originality Value, CSR, Environment & Community Development

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1. INTRODUCTION

In the present situation, organizations are doing various projects under their belt about the environment like tree plantations, rainwater harvesting, carbon trading, developing green corridors, planting of pollution abatement species and supporting tree plantation projects which helps to grow more consciousness in villages, barren land areas and municipalities. The Comptroller and Auditor General of India, in its present-day document, added few severe irregularities at the coverage of compensatory afforestation which pursuits to delivering woodland lands for improvement and business tasks in trade for of net present cost of the diverted land from the industries. The CAG has stated that the major afforestation exceeded over to improvement along with projects, 1, 03,381.91 hectares without forest lands had been to be transformed to forests. (Matani, 2010) Out of this most effective 28,086 hectares were covered under restoration with complementary subjection, become completed over an insignificant

7,280.84 hectares – just 7 in line that must have been received. Although documents well-known shows that some of the main company entities have been provided massive financial and legal gains whilst dispensing authority's woodland lands at par with the order of the supreme court and woodland laws (Sethi, 2013). Thus vital improve in monitoring mechanism as well law enforcement to govern such anomalies in ESR of the company. (Mitra, 2011)

Various environmental activities related to natural WRM (water resource management) through desalting of various clogged lakes are also implemented and performed in nearby rural regions. The researcher has taken eight observed variables which are considered to measure environmental performance, and it was deemed fit to conduct analysis. the variables show perfect slinked in correlation. (Das, 2009) The t-tests indicate that analysis is appropriate for the environmental CSR initiatives at different levels of corporate structure: environmental disclosure, environmental policy, environmental impact, and environmental performance. With disclosure, the organizations can improve the visibility of operations to display. (Lue, 2008)

The result shows environmental social activities have a key role for major corporations to impact climate change, water use footprint and energy use effectiveness. The companies have completed social responsibility through fulfilment of environmental projects which encourage the competitive panorama of the market to improve operational efficiency, rethink product designs, and are seeking for out new and modern era. (Subramaniam, 2005) Effective useful resource control and strength performance are essential environmental CSR desires that are applicable for the existing members. This results in opportunities for fee financial savings, revenue technology, and may even affect universal emblem energy via high-quality environmental popularity.

2. RESEARCH METHODOLOGY

In order to meet the objectives of this paper, the appropriate methodology was developed based on previous studies carried out under a wide range of social, cultural and economic condition on determinants influencing consumers towards social activities in the public and private sector. (Kemp, 2001) This research explores the private sector and public sector cash outflow for social activities both for community development and environment for each of these financial years 2016-17 and 2017-18. The researcher has collected data in the time period between March 2016 to May 2018. The quantitative method was adopted to gain in-depth knowledge and information of philanthropic activities by public and private industries in Uttar Pradesh.

2.1 Description of the Study Area

So as to meet the targets of the examination, the suitable technique was created dependent on past investigations, factors and their estimations, strategies and the systems received for the assortment of information required for the examination. It likewise portrays the technique utilized for the investigation of information and tests applied. The study was carried out in Public and Private Companies. Total 10 companies are selected for the study of which five are Public sector organizations and five are Private sector organizations. The choice was made on the accompanying grounds:

- All these organizations are listed in BSE and NSE.
- These organizations are having an enormous market.
- Role in the progress of Indian Economy.

2.2 Sample Size and Sampling Technique

Primary data were composed by using open ended questionnaire whereas secondary data collected through various published and unpublished documents. 100 respondents, 50 from each public and private organisation and 500 external respondents (beneficiaries), were selected on a random basis to collect views on the subject matter of the study.

2.3 Sample Size

The sample arranged keeping in mind the following parameters:

- Sample size from similar studies.
- Monetary constraint.
- Time limitation and
- Availability of statistical test and necessary software to carry out the interpretation of collected data

3. FINDING

3.1 CSR Activities are Positively Related to Community Development

A large sized firm would have more resources to spare than a small-sized firm. Larger firms tend to have budgets, a separate department for social activities and dedicated personnel responsible for social activities. Size is basically ordination for sales of cardinal scale, the relationship of the firm and the CSRs' has been detailed with the correlation analysis.

Table 1.1: ANOVA

		Sum of Squares	df	Mean Square	f	Sig.
After CSR	Between Groups	13.40	4	3.350	1.745	0.002*
	Within Groups	773.54	403	1.919		
	Total	786.94	407			
Before CSR	Between Groups	3.02	4	.754	.551	.698
	Within Groups	451.31	403	1.368		
	Total	454.33	407			

The effects show that there may be a positive association between the two factors; Promoter shareholding took into attention the share of shareholding of the primary promoters. Studies have proven that public companies are generally characterised via large employee work force, worker-friendly paintings environment and benefit plans. The information consisted of carefully held public limited businesses, broadly held public limited corporations and authorities owned organizations or public region undertakings. The prevalence of social activities by public organisations than the private sector companies as per the outcomes in the above table the observed imply variations (pre and post CSR activities) indicates that there is a big contribution in the improvement and cost addition to the immediate and larger communities through social activities. The difference in values of higher sure and decrease sure with 95% confidence interval. Hence, the hypothesis is true, that social activities by the corporate is positively associated with community development and fee addition, Businesses perform in the community and feature an impact at the nearby, regional, countrywide and international groups. Firms make an essential part and parcel to the local communities via imparting jobs. The success of the firm is connected to the health security, fitness, financial balance, and prosperity of the communities wherein they exist. The contribution of business towards education, health and sports activities tasks inside the network can cross an

extended way in constructing strong community partnerships. The social activities done by Public and Private sector, mainly for community development it is revealed that there is direct interventions for school infrastructure development, allied projects and education enhancement mainly related to education initiatives, the community level most of the social activities by the companies were measured using different variables which tested on various aspects of community level social activity with mean difference = 3.350, $f = 1.745$, significant at $p = 0.01$. The result shows contribution to environmental activities with mean difference of 0.19, t value = 3.082 significant at $p = 0.005$, similarly, Partnership with government mean difference = 0.64, t value = 10.613 which is significant at $p = 0.001$, with sponsorship for community health development the mean difference = 0.05, t value = 10.462 which is significant at $p = 0.001$, for overall rural development mean difference = 0.22, t value = 12.141 which is significant at $p = 0.005$.

Table 1.2: Effect of CSR Activities on Community

Dependent Variable		(I) Overall CSR Activities	(J) Overall CSR Activities	Mean Difference	Std. Error	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
After CSR	Tukey HSD	Strongly Disagree	Disagree	.338	.403	.002	-.7661	1.4439
			Do not Know	.856	.389	.000	-.2098	1.9229
			Agree	.646	.371	.000	-.3720	1.6644
			Strongly Agree	.538	.361	.002	-.4515	1.5293
		Disagree	Strongly Disagree	.338	.403	.000	-1.443	.7661
			Do not Know	.517	.272	.000	-.2283	1.2637
			Agree	.307	.246	.002	-.3681	.9828
			Strongly Agree	.200	.230	.000	-.4327	.8327
		Do not Know	Strongly Disagree	-.856	.389	.000	-1.922	.2098
			Disagree	-.517	.272	.000	-1.263	.2283
			Agree	.210	.222	.000	-.8204	.3998
			Strongly Agree	.317	.205	.000	-.8801	.2448
		Agree	Strongly Disagree	-.646	.371	.002	-1.664	.3720
			Disagree	-.307	.246	.000	-.9828	.3681
			Do not Know	.210	.222	.000	-.3998	.8204
			Strongly Agree	.107	.169	.003	-.5721	.3575
		Strongly Agree	Strongly Disagree	.538	.361	.000	-1.529	.4515
			Disagree	-.200	.230	.000	-.8327	.4327
			Do not Know	.317	.205	.002	-.2448	.8801
			Agree	.107	.169	.000	-.3575	.5721
Before CSR	Tukey HSD	Strongly Disagree	Disagree	.108	.340	.000	-.8245	1.0412
			Do not Know	.079	.328	.002	-.8203	.9801
			Agree	-.096	.313	.000	-.9563	.7629
			Strongly Agree	.102	.305	.000	-.7333	.9389
		Disagree	Strongly Disagree	-.108	.340	.002	-1.041	.8245
			Do not Know	-.028	.229	.000	-.6582	.6014
			Agree	-.205	.208	.000	-.7753	.3652
			Strongly Agree	-.005	.194	.002	-.5397	.5286
		Do not Know	Strongly Disagree	-.079	.328	.145	-.2801	.8203
			Disagree	.028	.229	.214	-.6014	.6582
			Agree	-.176	.187	.112	-.1917	.3385
			Strongly Agree	.022	.173	.541	-.4520	.4977
		Agree	Strongly Disagree	.096	.313	.001	-.2629	.9563
			Disagree	.205	.208	.202	-.3652	.7753
			Do not Know	.176	.187	.110	-.3385	.6917
			Strongly Agree	.199	.143	.214	-.1929	.5919
		Strongly Agree	Strongly Disagree	-.102	.305	.263	-.1389	.7333
			Disagree	.005	.194	.157	-.1286	.5397

		Do not Know	-.022	.173	.131	-.1977	.4520
		Agree	-.199	.143	.212	-.2919	.1929

In present situation organizations are doing their best to bring environmental consciousness through regular projects like tree plantations, rainwater harvesting, carbon trading, developing green corridors, planting of pollution abatement species and supporting tree plantation projects in villages, barren land areas and municipalities. Various environmental activities related to natural water resource management through desalting of clogged lakes are also envisaged and implemented in rural regions. The determinant of the correlation matrix is .003 which is above the required value of 0.001; therefore, multicollinearity has not disturbed the data set. The result for this data set was 0.918. Thus, t-tests indicate that analysis is appropriate, the environmental CSR initiatives at different stages of corporate structure: environmental policy and disclosure, environmental impact, environmental performance the operation of the organization are more observable and discerning during operation.

CS behaviour management and environment management are practically a resource for the addition in a number of firms bother about socio-environment management in the context of maxed out sustainable growth. The result shows environmental social activities have a key role for major corporations to impact on climate change, water use efficiency and carbon footprint and energy use efficiency and effectiveness. companies have completed social responsibility through fulfilment of environmental projects which encourage the reasonable panorama of the market to improve and rethink product designs, operational efficiency and efficacy, and are seeking for out new and modern era. Effective useful resource control and strength performance are essential E-CSR desires that are applicable for the existing members. This results in various fee financial savings, revenue technology, and might have affected universal emblem energy via high-quality environmental popularity.

Table 1.3: Environment CSR –t Test

1.2 Environmental Activity is Positively Related to Gain Competitive Advantage						
Measures of Environmental CSR	Mean (Public)	SD	Mean (Private)	SD	t-value	p-value
Explicit environment policy	3.83	0.888	4.16	0.634	8.74	< 0.001
Use renewable sources of energy	3.38	0.892	3.84	0.710	3.65	< 0.001
Recycling and treatment of waste	3.79	1.000	3.77	0.829	8.10	< 0.005
Environment/pollution protection systems	3.59	0.648	3.52	0.909	10.65	< 0.001
Environmental awareness through messages	3.81	0.785	4.20	0.621	13.19	< 0.005
Policy of substitution of hazardous material	3.36	0.736	3.97	0.663	11.51	< 0.005
Voluntary information about environmental management	3.67	1.016	3.93	0.657	9.64	< 0.001
Environmental emergency plan	4.23	0.635	3.92	0.670	2.702	< 0.005

The triumphing approach by the corporate identifies areas which are socially backward and, that fit with the organizations core strategy in terms of products, services, and regular operations. The corporate make commitment for optimum utilization of resources and in return providing maximum benefit to those areas which social backward as these areas fulfill the materialistic requirement of the projects related to the corporate houses. These organizations manage and measure the performance on society by measuring the key performance indicators, which connects and engages with stakeholders for maximum support.

Table 1.4: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	35.711	1	35.711	57.933	.005 ^b
Residual	160.884	261	.616		
Total	196.595	262			
a. Dependent Variable: Competitive Advantage					
b. Predictors: (Constant), environmental CSR					

The results show a significant positive association between environmental CSR and gaining competitive advantage by the firm. The F value (57.93) is highly significant. the workers' welfare is vividly added to the curricular of the HR activities and policies along with rigorous planning in HR, such as, using clean energy, reduce packaging etc. on the other hand in this new era of veganism, people prefer to buy the product from environmentally responsible companies. The HR planning includes various practices which included various remuneration, problem solving participation in a democratic way, grievances handling procedures, involvement in firms performance, vertical remuneration policy etc are reducing the rate of attrition amongst employee and enhancing employee productivity are considered. Although, the various work which might be conductive and conclusive workspace help to realize peoples own potential. Some of the practices include empowerment of the community, involvement of employees in the decision-making process, a better work-life balance, opportunities for leisure, training and development and also job security. Better the work environment better the environmental as well stallholders relationship gives thrust to an innovative and skilful employees and committed workforce.

1.3 Overall Environmental Activities

**Table 1.5: Factor Matrix: Scale Items
Environmental CSR (in %)**

Scale	B1	B2	B3	B4	B5
1	0	2.9	3.8	0	4.8
2	2.8	15.4	22.1	13.5	13.5
3	20.2	24.0	34.6	41.3	43.3
4	45.2	47.1	32.7	36.5	31.7
5	31.7	10.6	6.7	8.7	6.7
Total	100	100	100	100	100

Where: B1: Disposal of industrial waste; B2: Recycling and treatment of industrial waste; B3: Afforestation programme; B4: Creating environmental awareness; B5: Providing infrastructure in the community for rainwater harvesting, water and soil conservation.

Table 1.6: Analysis of the Environmental Activities

Factor	%Age of Variance
Disposal of industrial waste in the river and soil of village	.644
Recycling and treatment of industrial waste	.566
Afforestation programme	.671
Creating environmental awareness	.621
Providing infrastructure in the community for rainwater harvesting, water and soil conservation	.646

CSR towards employees and community is usually portrayed by the companies through policies on a) training and development; b) communication and consultation; c) health and safety; d) work-life balance; e) equality and diversity; f)

employee and community benefits.

There had been multitudinal portrayal for various firms towards CS relationships, responsibilities and the reciprocating community; the job specifications, their training and development, the communication and consultancies, employees health and safety services, the work-life quality and balances, diversity and quality amongst the community, there has been multi-fold community development and benefits. There has been a declaration, where philanthropic activities and pro-environmental activities bring high awareness for chief managers, there had always willingness to shut down harmful effect and impact of the firm on basically their locale and communities along with employees.

Table 1.7: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	β	Std. Error	β		
(Constant)	2.603	.211		12.351	.001
Philanthropic activities	.443	.058	.426	7.611	.001

a. Dependent Variable: Company's share price

As the security of employees is important and aforesaid table describes that aspect vividly. Table 1.7 depicts $\beta = .426$ which is significant $p \leq 0.05$ of the company's share price increased due to companies outreach which provided substantial and full support to employees their families and to the whole society.

Table 1.8: Overall Philanthropic Activities by Public and Private Companies

CSR Variables	Mean (Private)	SD	Mean (Public)	SD	t-Value	p-Value
Social responsibility for Community development.	4.20	0.635	4.29	0.621	2.28	< 0.005
Social responsibility for Environmental Activities	4.16	0.631	3.97	0.663	-4.68	< 0.001

The value of critical t value at $df = 507$ and significant level ≤ 0.05 .

The result in table 1.8 shows social responsibility towards overall philanthropic activities, the mean difference between private and public sector companies is 0.090 with t value = 2.28 social responsibility for employee those are emphasised on the employees work in firms for personal perspective, because first and the most responsibility of an enterprise is to focus on its employees, community development and environmental sustainability which makes sure that they may be glad and happy with the overall social activities. The key aspect of social activities for employee, community and environment is protection programs like health and life insurance, medical benefits and employee welfares such as maternity leave for women, other aspects include benefits such as sponsoring of higher education of employees, providing skill-based development and training opportunities, recreation, and sports facilities and environment protection. The mean difference between private and public sector companies is - 0.190 with t value = -4.68 social responsibility for customer & supplier who are part of business enterprises and stakeholders. But alternatively, they play an essential role in any enterprise achievement, so they are also worthy of being furnished with CSR values. In a great business shape, the suppliers are mostly accountable for imparting or delivering the raw materials and assets that a corporation desires in manufacturing. Suppliers indirectly affect advertising and enterprise factors consisting of product first-class, fee, and production of products. Availability of supplies determines manufacturing workload and quantity. Working along with a local network can bring an extensive variety of blessings. Demonstrating a commitment to the network can improve commercial enterprise recognition and, in flip, make it less difficult to recruit or keep personnel. The result shows the mean

difference between private and public sector companies is - 0.150 with t value = -4.89, significant at 0.001. The result revealed a good relationship with the neighbourhood companies generally helps, by way of giving awards to businesses with a report of community involvement; business within the community has evolved community to assist agencies to get the maximum advantage of network involvement.

5. CONCLUSIONS

Social activities may be carried out to the HR toolkit, resulting in a roadmap for human resource practitioners to conform to those who need to make contributions to the achievement in their corporation's sustainability and employer aspirations, thereby improving social and environmental conditions regionally and globally. The study revealed that both private and public companies help to eliminate open defecation, building and maintaining quality toilets, eradication of manual scavenging, municipal solid waste management and, most importantly, bringing about an attitudinal shift in people residing in various parts of rural areas near the plant location through awareness. Business organizations had discovered the centrality of the utilization of office morals as a gadget for keeping up clients and developing its commercial centre offer through taking up the undertakings of CSR. They have additionally taken for providing simple environmental factors for the general public. The companies have taken CSR and Social improvement commitments. A few gatherings have their own establishments while some are contributing with the help of government and non-governmental organisations. Private sector organisations are making an interest in extra CSR Activities and they are making a speculation additional value. It may moreover be conceivable that restricted rate assortment had been used in a few exercises even as gigantic measures of spending plan were utilized in constrained games exercises.

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